Surface Use Plan Harvey E. Yates Company Stebbins Federal N #1 Page 2

- 7. METHODS OF HANDLING WASTE DISPOSAL:
 - A. Waste will be buried in reserve pits at a depth of 24". The well site will be cleaned of all waste and this will be done within 10 days after completion of well.
- 8. ANCILLARY FACILITIES:
 - A. None required.

9. WELLSITE LAYOUT:

- A. Please refer to Exhibit C on which is shown the configuration of WEK Drilling Company, Inc. Rig #1. The well site will need about 2 1/2 feet of cut and fill. We do not plan to line reserve pits.
- 10. PLANS FOR RESTORATION OF THE SURFACE:
 - A. If the well is completed as a producing well, will knock down pits and smooth out the surface. If not productive, in addition to the above, we will level the location.
- 11. OTHER INFORMATION:
 - A. The surface is federal surface. The planned access roads and the pad will be located on relatively flat ground with gently rolling hills to the north and west. There are no houses, windmills, streams, ponds or lakes in the immediate area.

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE:

A. The responsible field representatives are as follows:

Drilling - Fred G. Yates			Peck Hardee, Jr.	
	Harvey E. Yates Company		Harvey E. Yates Company	
	1000 Security Bank Building Roswell, New Mexico 88201		1000 Security Bank Building Roswell, New Mexico 88201	
	Office Phone:	505/623-6601	Office Phone:	505/623-6601
	Mobile Phone:	505/623-0989	Mobile Phone:	915/683-4063
		Unit 4109		
	Home Phone:	505/622-5387		

Production - Johnny Gray Gray Pumping Service 1806 Sears Artesia, New Mexico 88210 Office Phone: 505/746-3895 Mobile Phone: 505/365-2580